SENATE, No. 1476

STATE OF NEW JERSEY

219th LEGISLATURE

INTRODUCED FEBRUARY 13, 2020

Sponsored by:

Senator NILSA CRUZ-PEREZ

District 5 (Camden and Gloucester)

Senator JAMES BEACH

District 6 (Burlington and Camden)

SYNOPSIS

Creates "Economic Gardening Program" in Department of State to provide customized services to certain businesses.

CURRENT VERSION OF TEXT

As introduced.



(Sponsorship Updated As Of: 2/24/2020)

1 AN ACT establishing an "Economic Gardening Program" in the 2 Department of State and supplementing Title 52 of the Revised 3 Statutes.

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5 **BE IT ENACTED** by the Senate and General Assembly of the State of New Jersey:

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- 8 1. As used in P.L. , c. (C.) (pending before the 9 Legislature as this bill):
- "Authority" means the New Jersey Economic Development Authority established pursuant to section 4 of P.L.1974, c.80 (C.34:1B-4).
- "Center" means the Business Action Center, created in the Department of State pursuant to Reorganization Plan No. 003-2011.
- "Department" means the Department of State.
- "Program" means the "Economic Gardening Program" established pursuant to section 2 of P.L., c. (C.) (pending before the Legislature as this bill).
 - "Qualified second-stage growth business" means a business that:
- a. has maintained its principal place of business in the State for at least the last two years;
- b. has annual revenues totaling between \$600,000 and \$50,000,000;
- 24 c. employs at least five but not more than 100 full-time 25 employees in this State;
- d. demonstrates growth in annual revenue or jobs, or both, in two of the last five years;
 - e. delivers products or services to customers outside the business's local market area or demonstrates the capacity to do so;
 - f. is in a target industry as identified by the center; and
- 31 g. is organized for profit to perform a lawful, commercial 32 function.

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- 2. a. The Business Action Center shall establish an "Economic Gardening Program." The program shall consist of customized services provided by the center, pursuant to subsection b. of this section, to a qualified second-stage growth business deemed eligible by the center upon application by a business in a manner established by the center. The center shall work in conjunction with the authority and State, local, and private business assistance entities to develop and promote the program.
- b. (1) Through the program, the center shall, upon request and free of charge, provide to a qualified second-stage growth business customized services tailored to the needs of the qualified second-stage growth business, including, but not limited to:
- 46 (a) a review of the qualified second-stage growth business's 47 core strategies, including threats and opportunities, business 48 strategy, and niche markets;

(b) qualified second-stage growth business development opportunities through market research and qualified sales leads, including, but not limited to, information about competitors and their strategies, industry trends and forecasts, market size and sales, financial analysis, business planning, strategic planning, market demographics, market research reports, potential market niches, prospective partners and resources, and marketing lists; and

- (c) guidance to the qualified second-stage growth business on increasing its visibility and credibility within the market with an improved Internet presence, and advice on how to best use technology to connect with customers.
- (2) Customized services addressing the needs of a requesting qualified second-stage growth business, pursuant to paragraph (1) of this subsection, may be provided in the form of personalized counseling or management consulting. The center may partner with business assistance organizations in the State to provide customized services pursuant to paragraph (1) of this subsection.
- (3) The center, or any organization that is partnered with the center to provide customized services pursuant to paragraph (1) of this subsection shall not disclose any non-public proprietary information about the requesting qualified second-stage growth business that is obtained while assisting that business to any other business or private entity. Both the center and any organization that is partnered with the center to provide customized services pursuant to paragraph (2) of this subsection shall not provide any non-public proprietary information to a qualified second-stage growth business requesting customized services. No action may be brought against the State, or any agency or instrumentality thereof, for relief in connection with the center's provision of customized services under this subsection.
- c. (1) There is appropriated from the General Fund to the department monies as shall be necessary to effectuate the purposes of P.L. , c. (C.) (pending before the Legislature as this bill).
- (2) The center is authorized to seek and accept gifts, grants, or donations from private or public sources for funding the costs of the customized services provided pursuant to subsection b. of this section, except that the center may not accept a gift, grant, or donation that is subject to conditions that are inconsistent with any other law of this State.
- d. The center shall report annually to the Governor and, pursuant to section 2 of P.L.1991, c.164 (C.52:14-19.1), to the Legislature on the functioning of the program and meeting the needs of qualified second-stage growth businesses. The report shall include, but not be limited to, the number and locations of participating qualified second-stage growth businesses, the number of jobs created or maintained by participating qualified second-stage growth businesses, the amount of any capital investment made

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by participating qualified second-stage growth businesses as a result of participation in the program, and the type and amount of any financial assistance given to participating qualified second-stage growth businesses.

3. This act shall take effect immediately.

STATEMENT

This bill establishes within the Business Action Center (BAC) in the Department of State an "Economic Gardening Program" (program) to provide customized services to a qualified secondstage growth business upon application by the business in a manner established by the center. The bill defines a "qualified second-stage growth business" as a business that: 1) has maintained its principal place of business in the State for at least the last two years; 2) has annual revenues totaling between \$600,000 and \$50,000,000; 3) employs at least five but not more than 100 full-time employees; 4) demonstrates growth in annual revenue or jobs, or both, in two of the last five years; 5) delivers products or services to customers outside the business's local market area or demonstrates the capacity to do so; 6) is in a target industry as identified by the center; and 7) is organized for profit to perform a lawful, commercial function. The BAC is to work in conjunction with the New Jersey Economic Development Authority and State, local, and private business assistance entities to develop and promote the program.

The program is to consist of providing to a qualified second-stage growth business customized services tailored to the needs of the qualified second-stage growth business and may be in the form of personalized counseling or management consulting. The customized services are to, include, but not be limited to: 1) a review of the qualified second-stage growth business's core strategies, including threats and opportunities, business strategy, and niche markets; 2) qualified second-stage growth business development opportunities through market research and qualified sales leads; and 3) guidance to the qualified second-stage growth business on increasing its visibility and credibility within the market with an improved Internet presence, and advice on how to best use technology to connect with customers. The BAC is authorized to partner with business assistance organizations to provide customized services to businesses.

The bill requires that the BAC and any partner organizations are prohibited from disclosing any non-public proprietary information when providing a qualified second-stage growth business customized services. The bill provides for a General Fund appropriation to the Department of State of an amount necessary to

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1 effectuate the purposes of the bill and allows the BAC to seek and 2 accept gifts, grants, or donations from private or public sources for 3 funding the costs of the customized services. Further, the bill 4 requires the BAC to report annually to the Governor and the 5 Legislature on the functioning of the program and meeting the needs of qualified second-stage growth businesses. The report is to 6 7 include, but not be limited to, the number and locations of 8 participating qualified second-stage growth businesses, the number 9 of jobs created or maintained by participating qualified second-10 stage growth businesses, the amount of any capital investment made 11 by participating qualified second-stage growth businesses as a result 12 of participation in the program, and the type and amount of any 13 financial assistance given to participating qualified second-stage 14 growth businesses.